



Department of Justice

FOR IMMEDIATE RELEASE
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**WEST VIRGINIA METALS PRODUCER PLEADS
GUILTY TO NATIONWIDE PRICE-FIXING CONSPIRACY**

WASHINGTON, D.C. -- A West Virginia metals producer pleaded guilty and agreed to pay a \$100,000 criminal fine today for conspiring to fix prices of products used to make steel and cast iron, said the Department of Justice.

The criminal case, filed by the Department's Antitrust Division in U.S. District Court in Buffalo, New York, charged American Alloys Inc. of New Haven, West Virginia, with participating in a conspiracy between late 1989 and mid 1991 to fix prices of commodity ferrosilicon products sold in the United States. Annual U.S. sales of commodity ferrosilicon products are more than \$100 million.

Commodity ferrosilicon products are alloys of iron and silicon, used primarily as alloying agents in the production of steel and cast iron to improve the properties of the finished product, such as its strength and corrosion resistance.

Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, said the charges resulted from a grand jury investigation in Buffalo, New York, into suspected collusion by companies in the ferroalloys industry. The ongoing investigation is being conducted by the Division's New York Field

Office with the assistance of the Buffalo office of the Federal Bureau of Investigation.

The maximum penalty for a corporation convicted of a violation of the Sherman Act committed after November 16, 1990, is a fine of \$10 million, twice the pecuniary gain the corporation derived from the crime, or twice the pecuniary loss suffered by the victims of the crime, whichever is greater.

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